

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 2735 - HB 2826

February 18, 2010

SUMMARY OF BILL: Prohibits the acceptance and storage of special nuclear material, by-product material, or source material at landfills or commercial facilities.

ESTIMATED FISCAL IMPACT:

Decrease State Revenue –

\$1,080,000/Recurring/Environmental Protection Fund (EPF)

Increase State Expenditures - \$32,900/One-Time/General Fund

\$354,300/One-Time/EPF

\$46,300/Recurring/General Fund

\$498,000/Recurring/EPF

Increase Local Expenditures – Exceeds \$1,000,000/One-Time*

Assumptions:

- According to the Department of Environment and Conservation (TDEC), there will be a decrease in state revenue from a decrease in license and fee revenue. A \$300,000 decrease from 16 specific radioactive waste processing licenses. A \$180,000 decrease from a loss of 300 license fees at a rate of \$600 for shippers of radioactive waste. A \$600,000 decrease from a loss in fees of \$0.015 per pound of radioactive waste received at a processing, storage, disposal, or refurbishing facility in Tennessee.
- According to TDEC, Mobile Radiation Monitoring Equipment will be needed at each field office for a one-time cost of \$360,000 (4 x \$90,000) and four hand-held devices at each office for a one-time cost of \$20,000 (4 x \$5,000).
- According to TDEC, five additional staff will be needed to perform compliance inspections. One supervisor at a recurring cost of \$56,600 (\$42,200 salary and \$14,400 benefits) and four health physicists at a recurring cost of \$51,800 each (\$38,700 salary and \$13,100 benefits) for a total of \$263,800 (\$56,600 + 4 x \$51,800). Recurring operational expenditures will be approximately \$56,100 per position for travel, vehicles, annual training, supplies, field equipment, computers, and other office related expenses for a total recurring operational expenditure of \$280,500 (5 x \$56,100). The total increase in recurring state expenditures will be \$544,300.
- One-time costs associated with creating five new positions will be \$7,200 (office supplies and equipment).

- Based on information provided by TDEC, the one-time increase to local government expenditures for the purchase of radiation monitoring equipment, with appropriate training is estimated to exceed \$1,000,000. Such expenditures would be incurred by at least 22 landfills.
- According to the Department of Environment and Conservation, the base year ratio for the Division of Radiological Health is 8.5 percent state appropriations and 91.5 percent Environmental Protection Fund.

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a larger, more prominent script than the last name "White".

James W. White, Executive Director

/jaw